

"SPACE HAS A MARKETING PROBLEM"

AstroAgency Founder and space entrepreneur Daniel Smith discusses the huge opportunities for companies and individuals in the Scottish space sector, and why there's plenty more growth on the horizon.

By Dan MacNeill, Director – Deep Tech at SH Gillamor Stephens



Daniel Smith

"You don't need a degree in astrophysics or mechanical engineering to have a career in the space sector," says Daniel Smith.

We were speaking just a few days after a major space sector summit attended by Nicola Sturgeon and the new European Space Agency Director, General Josef Aschbacher. Daniel says this shows just how much support there is for this nascent industry at the highest levels.

In this Q&A, Daniel discusses the meteoric rise of his strategic marketing company AstroAgency, and why the industry needed a dedicated company that fully understands and can properly promote, analyse, and connect the sector.

We talk about his award-nominated series of online networking events, and the important work of the Scottish Space Leadership Council – which he co-chairs – in fostering the future growth of the sector both in Scotland and across the UK.

Q: How did you come to found AstroAgency?



A: I went from the IT world into space technology in 2016, helping to establish and grow companies like Skyrora, a leading European space launch vehicle provider.

I then moved on to set up Responsive Access, which helps small satellite providers to simplify their access to space. I didn't have any previous space sector background. But I think that's the point about the commercial 'newspace' sector: you don't have to have a degree in astrophysics or mechanical engineering to be able to play a role.

Starting my space career at the forefront of UK orbital launch meant I quickly got to know as many people in the sector as I could – partners, suppliers, government contacts and potential customers – all across the global space value chain.

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I also got to experience first-hand what was happening locally around space. A lot of the companies I'd meet were working on cutting edge technology and innovation. I soon wondered, why do so many people in Scotland still not realise there's a space sector here when there's so much inspiration and innovation on our doorstep?

This was true across the rest of the UK too. I'd be down south for engine testing or meeting with potential component suppliers and constantly be feeling inspired, wondering why on Earth I hadn't heard about what they were all doing on the news. It felt like space has a marketing problem.

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I have a background in business development and marketing, so an idea started growing in the back of my mind after a few years: at this point in its evolution, the industry needed a louder voice. It needed a dedicated company that fully understood and could properly promote, analyse and connect the sector, playing an active role in its growth.

In 2019 I set up AstroAgency and immediately brought in space sector people who understood the challenges and opportunities for the industry and also had a passion for promoting the sector's benefits. This foundation of space knowledge and experience is why we're not considered to be a marketing company with an interest in space, but a space company that works to bridge a large gap in the sector around communications, connections, and marketing.

Q: What does AstroAgency do? What's your proposition?

A: Put simply, we take very technical client propositions and translate them for their target audience.

We're a strategic marketing company working with over 20 global clients that promotes and enables the global space sector. Our services

include brand design, messaging and awareness, industry PR, web development and social media.

To that we add strategy, which is around the business connections and introductions we can give. We have an incredibly strong technical department that map out target audiences for our clients and produce concise and concrete market analysis and intelligence. We work with private or public sector organisations who are looking to grow their business in the industry or identify the best opportunities for them to break into the sector.

“ The space sector gets a lot of interest from angel investors and venture capital. There's also a lot of public funding available. ”

Despite only starting the company 18 months ago during the start of the pandemic, we've grown the team to twenty people. We run events, both physical and digital, and we produce two space podcasts. We also get speaking slots for clients at various third-party events and media productions.

Funding and investment is another big part of what we do. We help companies take advantage of the interest of angel investors and venture capital firms in the space sector, and offer support in acquiring public funding. The UK and Scottish governments are both very supportive of the sector due to the broad range of benefits it delivers to society, the environment, business, and the economy.

We've got a technical department of six people from upstream and downstream disciplines, including PhDs. They support our clients to identify space applications for their technology and to really showcase their products and services, to help them attract investment.

Q: How have you been received by companies in the space sector? Are there any other agencies like you that focus on this sector?

A: I don't think there's anybody else that focuses solely on space marketing in the world. Our target audience is public and private sector organisations involved in the global space sector – councils, government and its agencies, and of course private companies.

We work with companies throughout the value chain; spaceports, satellite companies, launch vehicles, downstream data companies, ground stations and a variety of suppliers into the sector – we work with them all.

We also help companies that want to move into the sector. For example, there's a company in Edinburgh called Alpha Data who came to us because they felt the electronic components they make for a variety of other industries could be useful for space companies, but weren't sure of all the potential applications. Being part of their journey into the sector and planning a strategy to grow their sales in this industry even further has been just as exciting as working for established or typical 'space' companies.

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At the beginning, people would often ask whether the space sector was big enough to support a dedicated marketing agency focusing purely on space. I figured there was only one way to find out! It's been an

exciting start and we've just signed our 23rd client within 18 months. The business seems to be reflecting the commercial New Space sector that it serves – completely non-stop!

I think it's due to that fact that we have the technological viewpoint and experience of the sector to understand the opportunities, the gaps and the challenges that most space companies experience, whether they be around legislation, funding, licensing, public affairs, or supply chain development.

Q: What kinds of companies are you working with as clients?

A: We have clients across the whole space sector value chain, large and small. I thought at the start it was just going to be startups, and it was at first.

But then we started to get enquires from people like WL Gore in Dundee, who make Gore-Tex, and global space consulting firm Euroconsult. Suddenly we had bigger companies with thousands of employees around the globe reaching out for some support on market insight or digital marketing.

That made us realise it wasn't just going to be startups, and suddenly we were working with the government agencies, councils, and even the UK Space Agency.

We don't tend to work with Primes as they will all have their own marketing departments. But we have had enquiries from large cross-sector organisations looking to support their in-house marketing teams with space specific messaging and guidance.

Q: Tell us about your SpaceBar event and what you're trying to achieve through that?

A: SpaceBar is a free fortnightly virtual networking event that came about at the start of

lockdown. We wanted to provide an interactive and inclusive platform for companies to engage, share knowledge, and do business despite the onset of isolation.

SpaceBar promotes the full space value chain, to tell the full story of the benefits that come from accessing space, like using satellite data and imagery to track deforestation or illegal fishing. Some of the downstream activities that our clients like GSI, ConstellR, Astrosat, Deploy Solutions, Utilis, and Omanos Analytics are doing is amazing, so we wanted to showcase it to inspire others in the way our team were inspired.

We also wanted to help the industry network and make the public aware of the opportunities in the sector, whether it be around employment, new revenue streams and supply chain opportunities in upstream or added insight for businesses through space data in downstream.

“ It’s been incredible, the number of messages we’ve had from people thanking us for helping them make connections during lockdown. ”

It went from 15 – 20 people for the first one to peaking at around 320. Dallas Campbell, the broadcaster, got involved with planetary scientist co-host Dr. Suzie Imber. That really moved it from a slightly disorganised community to a more structured event focused on educational outreach and connections.

The impact has been great. Students have found work placements and startups have found investment. It’s been incredible, the messages we’ve had from people thanking us for setting it up and

helping them make connections during lockdown. At least ten MOUs have been signed from companies meeting at SpaceBar.

At our one-year anniversary we had Tim Peake and Kevin Fong drop in, and we’ve had people like Max Alexander drop by, who trains astronauts to take photographs on the space station. We’ve had some big US investment funds coming on and giving advice to startups, as well as the UK and European Space Agencies.

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Usually it’s the format of two or three themed panel discussions. It’s not about just sitting and listening to presentations – we don’t allow slides in the ‘bar’! It’s about interacting and asking questions.

We try to make it as interactive as possible because again, you can’t get that anywhere else during lockdown. It’s been nominated for awards now as well, including a Sir Arthur Clarke award, which I never would have imaged when we started it.

Q: You’re heavily involved in the Scottish Space Leadership Council, and recently became co-chair. What’s your ambition for the council and where do you see its biggest impact and benefit for the Scottish space sector going forward?

A: I’ve been part of the SSLC for a few years, and the Council has come to represent the sector with a single voice. What’s so good about the SSLC is that it helps all of us to think about promoting the sector as a whole.

I’ve got really high hopes for its future role in the UK space landscape. It can promote and enable the

sector in Scotland and beyond, both to act as a gateway for enquiries coming into Scotland and to showcase the good work being done here internationally, as part of the wider UK space sector proposition.

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The UK Space Agency, Satellite Applications Catapult and the Scottish government join meetings alongside representatives from academia, and it’s great to see so much interest from across the UK. It also makes it easier if you’re trying to do things on a UK level. Instead of going to individual Scottish organisations and groups, you can get a collective and representative viewpoint in a faster and more organised manner.

Some of the real achievements in the last year or so have been the formation of the UK Spaceports Alliance to foster cooperation and to make sure launch happens from the UK.

There have also been a number of other working groups, including New Voices in Space which promotes inclusivity and diversity in the sector. They’re doing some great work!

In June we hosted a summit on Sustainable Space Challenges to discuss the findings of our 2021 campaign, to bring together environmental groups and the space sector on how the sector can be more environmentally conscious. The First Minister was at the summit, as was the head of the European Space Agency, the UK Space Agency, and Dallas and Suzie. It had 420 registered visitors.

It was an incredible event. Since then, my inbox has been full of requests from people about the next

steps. “How can we get involved to help make sure that space is more environmentally conscious? How can we take this initial work and grow the space sector to be more sustainable?” Questions like that.

These are all initiatives that are coming out of the SSLC. And that’s only some of it. This is a completely voluntary group that is working collaboratively with the aim of addressing important issues and bringing about real change.

My ambition is for it to keep doing those things, keep leading by example and showing thought leadership. With the First Minister and ESA Director General there, the summit demonstrated the SSLC’s ability to lead on key issues and focus on tangible outcomes.

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Q: As the new space sector continues to grow, what do you see as the big opportunities and challenges for new Scottish startup businesses trying to break into the sector?

A: The challenge is knowing and understanding the landscape and how to navigate it. Once you know what all the various governmental, public, and industry bodies do – who provides funding, who provides lobbying, who provides supply chain support, business development opportunities, standards or legislation support and so on – you’re good to go.

After that, the support for startups in the space sector really is there. That’s a testament to the sector, as well as to the UK and Scottish governments for seeing the sector’s potential and

getting behind it.

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We do need to enable cross-sector companies to get involved and be part of the space supply chain. They can help the sector grow while also finding some additional revenue in a difficult economic climate.

Scotland, and the wider UK, is home to a burgeoning space sector full of innovation, advanced manufacturing, and technology. There are orbital launch vehicles, multiple spaceports, high-tech payloads, and testing facilities being built, for example.

One of the challenges for such an emerging industry though is being able to find suppliers – it's won't be a surprise to know that space specific suppliers aren't exactly a thing here like they are in the States, for example. So it's crucial for space companies to be able to connect with partners from different sectors. Oil and gas, construction or renewables, and many other industries have the transferable skills or experience to be able to support the growing space sector.

We need to let those companies know "ey, space is here, and it's definitely not an exclusive club. In fact, we need your help!" Any company from any industry can support the space sector, in the same way that any company from any sector can benefit from the data that comes from space. It's still relatively unknown that every single day we all rely on space enabled services in our work and in our daily lives.

Alpha Data, in Edinburgh, is again a good example of the supply chain opportunities. It's a components company working in other industries who spotted the potential in the space sector and have added it to their target markets, enabling them to sell into the

sector. The more companies we make aware of the opportunities, the more we find have products or services that are crucial for the sector to find if we are to hit the UK Space Agency target of securing 10% of the global space market by 2030.

Q: How do you see AstroAgency growing in the next five years and beyond?

A: For us it's about continuing to strengthen our position in the UK whilst building more of a global presence. At the moment, the majority of our clients are either based in the UK or looking to break into the UK space market.

Yes, we're working with companies in Canada, the US, Germany, and Austria and half our team is based outside the UK. But I would like AstroAgency to be known in places like Australia or Luxemburg – emerging new space countries that are in a similar boat to Scotland – in the way we are known here.

That way, we can support companies in different emerging regions and continue to act as a bridge for our UK clients to overseas markets. For us, it's all about the connections – bringing together companies, ideas, and people from around the world to help the commercial space sector reach its full potential.

I'd like us to have more of a foothold in some of these emerging territories and build the same reputation there that we've established here in the UK. I'd also like us to build more of a presence in North America and in Asia in the coming years, so we can capitalise on these other markets too.

That said, we've grown so fast. I never would have thought we'd have over 20 clients, or that we'd be working with government, or that Nicola Sturgeon would contribute to an event we'd organised. Things have moved so fast in 18 months and the sector is growing at an incredible rate, so it's hard to even imagine where we'll be in five years at the pace we're growing, and that's exciting.